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MICHIGAN LABOR MARKET REVIEW

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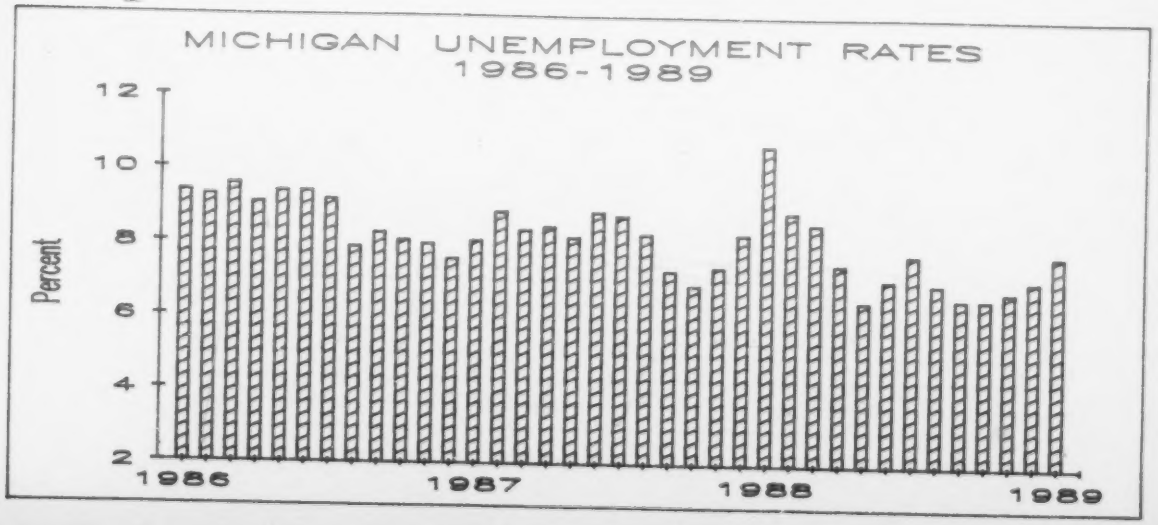
JOB SERVICE
Michigan Employment Security Commission

JOBLESSNESS INCREASES STATEWIDE

Michigan's unemployment rate advanced by seven-tenths of a percentage point as the unadjusted jobless rate climbed from 7.1 percent in December to 7.8 percent in January. The rate increase represents 29,000 additional individuals out of work, as total state residents seeking employment rose to 358,000. The increase in joblessness was primarily a result of traditional seasonal layoffs in retail trade following the holiday season. Total employment in January registered a decline as the number of employed state residents fell by 80,000 to reach 4,230,000. Additionally, the civilian labor force plunged to 4,589,000, a decrease of 49,000. Compared with a year ago, employment in Michigan has increased by 265,000, while the size of the labor force has expanded by 151,000. In January 1988, the total number of persons out of work amounted to 473,000, representing an unemployment rate of 10.7 percent.

STATEWIDE JOB LEVEL SHRINKS

Total nonagricultural wage and salary employment in Michigan fell as industry jobs decreased to 3,807,000 in January. Employment opportunities dropped by approximately 83,000 as losses were centered in both the goods producing and service producing sectors of the economy. Total employment in the goods producing industries declined by 23,000 primarily as a result of construction cutbacks. Service producing employment decreased by 60,000 to 2,722,000 in January, as retail outlets reduced holiday payrolls. Public sector positions fell by 10,000. Since January 1988, industry employment in Michigan has increased by 100,000 positions or 2.7 percent. Approximately 23,000 goods producing jobs have been added throughout the year, while service producing employment grew by 77,000.



Civilian Labor Force, Employment, and Unemployment Estimates

State of Michigan

ITEM	JAN 1989	DEC 1988	NOV 1988	JAN 1988
PLACE OF RESIDENCE				
Civilian Labor Force	4589	4638	4679	4438
Employment	4230	4310	4362	3965
Unemployment	358	329	317	473
Rate	7.8	7.1	6.8	10.7
PLACE OF WORK				
Wage and Salary Employment	3807	3890	3917	3707
Goods Producing Industries	1085	1108	1115	1062
Construction and Mining	134	146	155	120
Mining	10	10	11	10
Construction	124	135	144	110
Special trade Contractors	82	89	93	72
Other Construction	41	47	51	38
Manufacturing	951	962	960	942
Durable Goods	728	736	733	721
Lumber and Wood Products	15	15	15	14
Furniture and Fixtures	34	34	34	33
Stone, Clay and Glass Products	18	19	19	17
Metals	168	167	167	165
Primary Metals	48	48	48	47
Fabricated Metals	120	120	120	118
Nonelectrical Machinery	122	122	121	120
Electrical Machinery	34	34	35	37
Transportation Equipment	312	319	317	313
Motor Vehicles and Equipment	295	301	299	293
Other Transportation Equipment	18	18	18	19
Other Durable Goods	23	24	24	23
Nondurable Goods	223	226	227	220
Food and Kindred Products	42	43	45	43
Textiles and Apparel	22	23	22	22
Paper and Allied Products	21	21	21	21
Printing and Publishing	44	44	43	42
Chemicals and Petroleum	44	44	44	43
Other Nondurable Goods	51	51	51	49
Rubber and Plastic Prod.	49	49	49	47
Leather Products	3	3	3	2
Service Producing Industries	2722	2782	2802	2645
Trans., Comm. and Utilities	152	156	156	150
Transportation and Utilities	118	122	121	115
Communications	34	35	35	35
Wholesale Trade	191	193	191	185
Durable Goods	123	124	122	119
Nondurable Goods	68	69	69	66
Retail Trade	699	734	719	677
General Merchandise Stores	110	116	111	105
Food Stores	106	107	107	97
Automotive Dealers and Services	78	78	78	76
Eating and Drinking Places	223	237	237	223
Other Retail Trade	182	195	187	176
Finance, Insurance and Real Estate	186	186	185	183
Finance	96	96	95	93
Insurance and Real Estate	90	91	91	91
Services	857	865	866	825
Business Services	189	191	191	179
Health Services	281	280	280	276
Other Services	386	394	395	371
Government	637	647	685	624
Federal	61	62	61	60
State	167	167	168	162
Local	409	419	456	402

CIVILIAN LABOR FORCE data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics - 1988 Benchmark.

WAGE AND SALARY EMPLOYMENT is based on a monthly sample of employing establishments as part of the cooperative federal-state Current Employment Statistics program - March 1988 Benchmark.

CLAIMS ACTIVITY

The number of individuals collecting regular unemployment benefits increased for the third consecutive month. The regular benefits claims load averaged 137,623 per week during the month of January, approximately 40,054 more than the December total. The 41 percent increase was primarily due to seasonal layoffs following the holidays. In January 1988, the number of claimants drawing benefits under the regular benefit program averaged 159,878.

WEEKLY CLAIMS FOR UNEMPLOYMENT INSURANCE

Week Ending	Michigan			Detroit		
	Total	Initial	Continued	Total	Initial	Continued
January 07, 1989	142,700	22,300	120,400	56,100	8,200	47,900
January 14, 1989	160,900	26,200	134,700	68,000	11,900	56,100
January 21, 1989	155,300	18,200	137,100	67,900	8,900	59,000
January 28, 1989	164,500	16,700	147,800	70,800	7,600	63,200

DETROIT AREA PRICES DECLINE

Consumer prices in the Detroit metropolitan area decreased from 118.6 in October to 118.3 in December. The decrease in Detroit area prices was primarily due to lower costs for clothing and housing. Prices in the area climbed by 5.1 percent since December 1987, when the consumer price index stood at 112.6. At the national level, the cost of living advanced by five-tenths of a percent to reach 121.1 during the month of January. The higher national prices were due to additional costs for food and home heating fuels. Between January 1988 and January 1989, national consumer prices increased by 4.7 percent. One year ago, the national index registered 115.7. Note: Beginning in January 1987, the Consumer Price Indexes were shifted to a new reference base year. All indexes expressed on a 1967=100, were rebased to 1982-1984=100.

HOURS AND EARNINGS

The average workweek of Michigan workers in manufacturing industries decreased to 44.0 hours in January. The decrease occurred primarily as a result of fewer hours worked by individuals in the electrical machinery and automotive industries. During the month average hourly earnings rose by eight cents to $13.68, while average weekly earnings decreased by $7.36 to total $601.92. In January 1988, earnings averaged $13.31 an hour or $565.67 per week for a 42.5 hour workweek.

MICHIGAN'S HOURS AND EARNINGS

Industry	Average Weekly Earnings a/			Average Weekly Hours a/			Average Hourly Earnings a/		
	Jan 1989	Dec 1988	Jan 1988	Jan 1989	Dec 1988	Jan 1988	Jan 1989	Dec 1988	Jan 1988
TOTAL MANUFACTURING	$601.92	$609.28	$565.67	44.0	44.8	42.5	$13.68	$13.60	$13.31
DURABLE GOODS	637.14	647.92	595.78	44.4	45.5	42.8	14.35	14.24	13.92
Primary Metal Products	631.90	628.31	585.42	45.2	45.3	43.3	13.98	13.87	13.52
Fabricated Metal Products	614.44	607.45	550.98	44.3	44.6	41.9	13.87	13.62	13.15
Nonelectrical Machinery	633.36	623.20	586.98	46.4	46.3	44.2	13.65	13.46	13.28
Electrical Machinery	518.63	544.46	507.79	43.4	45.6	42.6	11.95	11.94	11.92
Motor Vehicles & Equip.	743.09	771.97	699.17	44.9	46.9	43.4	16.55	16.46	16.11
NONDURABLE GOODS	477.85	480.53	460.49	42.4	42.6	41.3	11.27	11.28	11.15
Contract Construction	630.24	611.81	577.78	39.0	38.6	37.3	16.16	15.85	15.49
Department Stores	172.89	196.52	166.10	25.5	29.2	27.5	6.78	6.73	6.04

a/ Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.

Note: *Current month data are preliminary.*

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ESTIMATES
JANUARY 1989 (Preliminary)

Area	Civilian Labor Force	Total Employment	Total Unemployment	Unemployment Rate
United States	122,095,000	114,786,000	7,309,000	6.0
Michigan	4,589,000	4,230,000	358,000	7.8
Major Labor Markets				
Ann Arbor MSA	163,700	157,700	6,100	3.7
Battle Creek MSA	64,900	59,700	5,200	8.0
Benton Harbor MSA	79,200	72,900	6,300	8.0
Detroit MSA	2,209,000	2,045,000	164,000	7.4
Flint MSA	187,400	163,600	23,800	12.7
Grand Rapids MSA	361,100	341,200	19,900	5.5
Jackson MSA	66,100	61,000	5,100	7.7
Kalamazoo MSA	118,400	112,500	5,900	5.0
Lansing MSA	245,800	231,600	14,200	5.8
Muskegon MSA	67,500	60,900	6,600	9.7
Saginaw-Bay-Midland MSA	183,700	169,400	14,300	7.8
Upper Peninsula LMA	134,200	119,200	15,100	11.2
Major Counties (15,000+)				
Allegan	54,825	51,550	3,275	6.0
Barry	22,375	20,575	1,775	8.0
Bay	53,400	48,500	4,900	9.2
Branch	18,275	16,775	1,500	8.2
Cass	23,300	21,725	1,575	6.7
Clinton	30,600	28,775	1,825	6.0
Delta	16,175	14,350	1,825	11.3
Eaton	53,150	50,300	2,850	5.4
Grand Traverse	35,125	31,750	3,375	9.6
Gratiot	18,300	16,650	1,650	9.0
Hillsdale	19,500	17,850	1,650	8.5
Huron	16,250	14,475	1,775	11.0
Ingham	162,100	152,525	9,575	5.9
Ionia	19,175	17,175	2,025	10.5
Isabella	29,900	28,175	1,725	5.8
Kent	265,050	250,400	14,650	5.5
Lapeer	34,150	30,675	3,475	10.2
Lenawee	42,475	39,150	3,325	7.8
Livingston	54,300	51,275	3,000	5.5
Macomb	383,500	357,025	26,475	6.9
Marquette	29,400	27,125	2,300	7.8
Mecosta	16,575	14,950	1,625	9.8
Midland	35,075	32,800	2,275	6.5
Monroe	64,650	59,700	4,925	7.6
Montcalm	24,100	21,350	2,750	11.4
Newaygo	17,300	15,475	1,825	10.6
Oakland	588,725	554,475	34,250	5.8
Ottawa	96,075	90,800	5,250	5.5
Saginaw	95,175	88,050	7,125	7.5
St. Clair	68,850	61,000	7,850	11.4
St. Joseph	27,150	25,025	2,125	7.9
Sanilac	19,875	17,675	2,200	11.1
Shiawassee	33,600	30,350	3,250	9.7
Tuscola	23,775	21,050	2,725	11.4
Van Buren	31,625	28,125	3,500	11.1
Wayne	1,014,975	931,250	83,750	8.3

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